

## STATE EMPLOYEES BENEFITS UPDATE – FY2004

After a tough year of budget cuts statewide, the Legislature was not able to provide funding for COLA, Merit, or MCA increases. However, funding was approved to cover the increased costs of Retirement and Health/Dental Benefits for a total compensation package of 2.62%. The cost to the State for health and dental benefits increased 11.48% for fiscal year 2004. Following is a summary of benefit costs to employees for FY 2004:

### **MEDICAL**

Employees enrolled in the **PEHP Preferred Care plan** will continue to pay 7% of the costs as a bi-weekly employee contribution. However, the 7% rate is based on higher costs and will result in the following new rates: *Family coverage*: \$26.00 per pay period; *Two Party*: \$19.48 per pay period; *Single coverage*: \$9.45 per pay period. Co-pays for prescription drugs will increase from 20% to 25%.

Employees enrolled in **Exclusive Care, Summit Care and Comprehensive Care (rural Utah) health plans** will continue to pay 2% of the total premium. Bi-weekly employee premiums will be: *Family coverage*: \$6.91 per pay period; *Two party coverage*: \$5.18 per pay period; *Single coverage*: \$2.51. Coverage for in-patient hospital care will decrease from 100% to 95%. Co-pays for prescription drugs on the Exclusive Care and Comprehensive Care plans will increase from 20% to 25%. There are no changes in the prescription drug program for Summit Care.

### **DENTAL**

Employees enrolled in the **PEHP Traditional dental plan** will pay the following bi-weekly contribution rates: *Family coverage*: \$10.92 per pay period; *Two Party*: \$7.62 per pay period; *Single coverage*: \$5.84 per pay period.

Employees enrolled the **PEHP Preferred dental plan** will now pay 5.0% of the total premium. Bi-weekly employee contribution rates will be: *Family coverage*: \$1.77 per pay period; *Two party coverage*: \$1.22 per pay period; *Single coverage*: \$.96 per pay period.

Employee enrolled in the **Dental Select plan** will have the following employee contribution rates: *Family coverage*: \$8.67 per pay period; *Two party coverage*: \$6.08 per pay period; *Single coverage*: no employee premium.

PEHP will continue to allow one additional opportunity for employees to make a health carrier change during the fiscal year. Each employee will be allowed to change health carriers one time in each fiscal year *in addition* to the open enrollment period in May.

You may contact PEHP Customer Service, 366-7555 for additional explanations or questions relating to your individual health/dental plans.